



October 23, 1995

Mr. Don Masnada, Executive Director
Central Coast Water Authority
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California Office
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Re: Final Environmental Impact Report for Implementation of the Monterey Agreement

Dear Mr. Masnada:

On October 14, 1995, we received a copy of the October 1995 Final Environmental Impact Report for the proposed Monterey Agreement Statement of Principles (hereafter "Monterey Agreement").

Our first look at the Final EIR reveals that--like the Draft which proceeded it--there remain serious substantive and procedural problems with the Monterey Agreement itself, not to mention the documents which purport to analyze its effects. Indeed, your effective dismissal of EDF's myriad concerns is sadly indicative of the manner in which this subject has been handled from the outset. After waiting a full three months for a response to our July 20 comments--not to mention our initial request of June 7--anything less than a detailed, point-by-point response is, to say the least, deficient and unacceptable.

We also understand that a certification hearing on the Final EIR will take place on Thursday, October 26 in Buelton--only 12 days following our own receipt thereof. Please be advised that EDF cannot and will not attend this meeting: a minimum of 60 days should be allowed for meaningful review and comment on matters of such import, and at least two weeks notice for follow-up meetings thereafter.

While all of the above represent clear violations of CEQA in letter and intent, our ultimate complaint rests with the fact that the Monterey Agreement itself ignores a host of direct environmental interests in and concerns with prospective SWP refinancing, including forgone opportunities for funding in the face of Category III non-performance as well as a spate of potential problems with the proposed sale or lease of the Kern Fan element. The apparent wholesale rejection of our written request that the signatories to the Agreement postpone final consideration of the Agreement and associated environmental documentation in favor of "a true consensus based dialogue on SWP reform" merely underscores the closed-door nature of the deal and its many attendant shortcomings.

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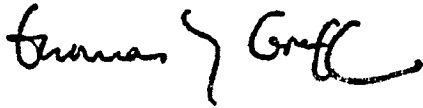
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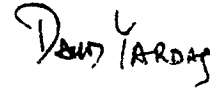
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Whatever the forum, implementation of the Monterey Agreement as drafted, and as subsequently justified by the meager analyses set forth in both the Draft and Final EIR's, can only lead to trouble and conflict down the road. Any decision to certify the Final EIR and to proceed with implementation of the Agreement as drafted should be made with that result clearly in mind.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Graff" with a stylized flourish.

Thomas J. Graff
Senior Attorney

A handwritten signature in black ink, appearing to read "David YARDAS" with a stylized flourish.

David Yardas
Senior Analyst